THE DEWAN-PRESIDENT'S STATEMENT.

PRESIDENT: Order, order. Under Standing Order No. 9 the first hour of every meeting shall be available for the asking and answering of questions. Construing that rule it will be apparent that that rule is one which can be waived by this honourable House if they so desire. Care however will and should be taken that the legitimate right of members of this House to ask questions should not be curtailed and the reasons why I am asking this honourable House to allow me to make the statement that I am going to make, may be indicated at once.

I find that a large number of questions have been tabled on the food problem and the related problems. I may say that the statement which I shall have the honour to make to this honourable House will probably answer in advance many of the questions raised by the honourable members and might also deal with those nine motions for adjournment of which notice has been given. For that reason, I am craving the permission of this honourable House to waive their right to start putting questions and getting answers immediately and to postpone it till after the making of my statement. I shall thereafter give one hour to this honourable House for interpellations. It is a matter for the decision of this House and I now ask for that decision.

The motion was put to vote and carried.

Fellow-Members of the Legislative Assembly,

As you will have observed from the oath taken by me before I assumed my seat, I am rejoining this appointment after a very short interval when I was elsewhere and after which appointment I was not able to meet my fellow-members of the Legislative Assembly. A great deal has happened between that time and this. I do not propose in view to certain motions, of which notices have been given, to speak about my departure and my arrival at this juncture, reserving such remarks as I may have to make later on.

But before I offer any remarks on the general situation, it is my duty to bring to the notice of this honourable House the loss sustained by this Chamber in the death of Mr. Padiyara Joseph Kunju. He was a person impulsive by temperament, enthusiastic by nature, but essentially loyal to the core. His services were greatly appreciated by the Government during the troubled times when subversive forces were only too apparent. The fact that to-day we are passing through quieter times should not make us ignore or forget the services rendered by Mr. Padiyara Joseph Kunju. We shall express our sense of the loss sustained by this House by his demise and I trust the honourable members will signify their intentions in the usual manner by standing.

The motion was carried, the whole House standing.

LIBRARY ARCHIVES Kerala Legislative Assembly

Before I proceed to speak on the situation existing in this State from the political and the economic point of view, it is my duty, as it is my privilege, to place on record the sentiments which I am sure will be shared by every one in this House, a sentiment of relief and of satisfaction that the tide of war is turning on the side of the Allies.

On every field of battle a new search is apparent, new victories are chronicled daily, nay, hourly; and it is the prayer as well as the expectation of the people of India in general, and of the people of this State in particular, that this conflict will soon come to a victorious termination and that it will be possible for India to take up the ordinary routine of her life and that India should play the part, that she is entitled to play and will no doubt insist on playing, in the formation of that new world which will succeed the conflicts and the distressful happenings of the last few years. India has a separate individual characteristic contribution to make and I feel sure that the spirit of the times and the wisdom of those at the head of affairs will see that that legitimate part is played well and worthily.

In addition to the large sums of money contributed by His Highness the Maharaja with reference to the war and in order to make it easier for the war to be won, I can place before this House the news that quite recently, after the last meeting of this House, His Highness in addition to paying certain sums of money for the alleviation of the persons who are working for victory, placed two lakhs of rupees at the disposal of His Excellency the Viceroy for the purpose of being utilised for the Indian Armed Forces serving in the Middle East. It was earmarked for the use of the Indian troops and the procuring of comforts for them. I am glad to be able to announce to this House that, in Jerusalem and in Egypt, that money has been utilised for the purpose and for the benefit of the Indian troops.

Quite recently there was considerable fighting on the seas. A small ship, H. M. I. S. "Bengal" fought an epic battle against a large Japanese auxiliary cruiser in defence of a Dutch Oil Tanker and the ship has conferred lasting distinction on the whole of India's Navy. That is not the only reason why I am mentioning this matter so prominently. Four out of the company of thirty on the ship belonged to Travancore and that is a matter on which this State may well be legitimately proud. (*Applause*).

It is not commonly known what part Travancore has played in relation to this war. There is so much talk all over India, nay, all over the world, about the so-called martial races and the adaptability of some parts of this country, for the development of martial qualities and for the peaceable,—I had almost said timorous—nature of the people of the South. Those who speak in that way are forgetting the history of India, the history of Travancore and the history of the Nayar Brigade. But this is not the occasion nor the time when those abstract and academic arguments need be put forward. I can place before

LIBRARY ARCHIVES Kerala Legislative Assembly

[President]

you figures which will speak for themselves. The enrolment to the three armed forces of His Majesty from the beginning of the war to the end of November was 21,374. Probably it is a number which is not surpassed by any single unit in India comparable in size, and it is a matter on which we may as in the case of the H. M. I. S. "Bengal," feel legitimately proud.

We have thus proved that we can play our part in war and that is an indication that in dealing with the problem of peace we shall be as successful and as helpful as in war.

Now I wish to make an appeal. Very special terms have been offered by His Majesty's Government in regard to the recruitment for the Indian Navy and the Indian Air Force. This war is fundamentally altered in its method and programme. The wars of to-day are fought not only by large masses of men moving in serried ranks and counted by infantry divisions. This war is fought in the air, on the sea, and under the sea and the future of India will be insecure unless forgetting the example of her immediate past and the complacent neglect of her defences, India decides to be an effective factor in her own defence, and for that purpose it will be necessary for us to encourage our young men to recruit themselves in large numbers in the Navy and in the Air Forces. I have been the recipient of a special appeal in regard to the Royal Indian Navy. His Highness and His Highness's Government have been asked to see that the already meritorious achievements of Travancore in relation to the Army should be concentrated for the time being on the Royal Indian Navy and the Air Force. I trust that the epic story of H. M. I. S. "Bengal" will be an impetus and an encouragement to the naval recruits within the State.

Generally speaking, the position of this State in regard to the political situation has been happy and has been a record of co-operation. There has been very little subversive political agitation to speak of. As I have mentioned to His Excellency the Viceroy and as I recently had occasion to mention to His Excellency the Governor of Madras, the students of Travancore have given a lesson to the students all over India. They have, on the whole, notwithstanding their enthusiastic impulse which nobody is anxious to cripple, notwithstanding their first ebullitions, they have maintained sobriety of conduct and equanimity of temperament which are beyond all praise and which must be accounted to the credit of Travancore. We have had no burning of Post offices, we have had no interruptions of communication and we have had no fifth column in our State, and I may say that amidst a somewhat distracted country we have preserved a stability and equilibrium which must count when the sum-total of the work done by the various units of India is taken into account.

There has been some misdirected activity in certain localities and on the part of certain individuals. A gentleman calling himself the representative of the Boat Men's Association went over to Cochin and

LIBRARY ARCHIVES Kerala Legislative Assembly

tried to prevent the boat-men bringing the rice from Cochin to Travancore. That was the public service which at this time of food shortage Mr. M. K. Raman was very kind to make for the benefit of the State. He has been, I am happy to say, arrested and will be detained until he apologises. Generally speaking this Government have released everybody and are not anxious to detain any person, political prisoner or detenue in jail, provided he is willing to work in unison and in tune with the Government at a time when co-ordinated effort is of the utmost essence and is so much in demand. If Mr. Raman or any one else sees the error of his ways and the fatal consequences of his earlier actions in which he engaged himself, he will be free to-morrow and not otherwise. This morning I have had to order the arrest of Mr. Kumplathu Sanku Pillai, who has been a focus of mischief in many directions, and I am awaiting the report of what he has done on more than one occasion. I want to make it clear that this Government are not anxious that even a single man's liberty should be curtailed. I should be glad at once to order the opening of the doors of the central prison and send out every political detenue who has been detained or convicted, provided Government are reliably assured that in the task ahead of us, they will get adequate co-operation from them and that they will cease from subversive activities. I am making this appeal to this honourable House and through this House to the public of Travancore and I devoutly pray that this appeal may be heeded.

I shall now turn to the financial position of the State. It is extraordinary in certain respects. We budgeted in 1117 for Rs. 279 lakhs. In the budget speech it was expected that Rs. 301 lakhs will be realised. But the total according to the accounts of 1117 is Rs. 314 lakhs, a figure never reached in the history of Travancore and if things go on as they are doing now, I hope in the next budget to be able to announce an income of something like Rs. 4 crores. But what does that mean? It means that a tremendous amount of money is available. It is a fact that to-day there is more money in Travancore than at any other period of Travancore's history, and how does that money come in? That money comes in by reason of the high prices realised in respect of many commodities which we sell out such as copra, pepper, rubber, tea, ginger, etc. Not only that. Large sums of money come in through those persons recruited to the Army and the recruits to the Assam Labour Corps. Each person is given Re. 1 a day plus food, clothing and certain other allowances and the amount of money that comes into the State by way of money orders is enormous. I have made a computation and it is a very, very large amount. The position is that large sums of money have come into this State and there are many persons who have never seen currency notes before but have currency notes flowing through their hands now. But it is one thing to have the money and another to know what to do with that money. The difficulty is because there is no food to be bought with that money, and that is the problem with which we

LIBRARY ARCHIVES Kerala Legislative Assembly

[President]

have to deal at present. That there is more money in the State is also evidenced by the amount of increase of that rather dubious virtue or vice of drunkenness and resultant increase in the Excise revenue for which great credit is due to Mr. Unnithan, but greater credit to the price of rubber and cocoanuts. It is also seen that there are less arrears in land revenue. I shall, at a later stage, speak of the danger of inflation and the inflationary policy in regard to Travancore and to India as a whole, to which sufficient attention has not been paid by many persons. But, for the present, I shall merely state that there is a large amount of money in the State. In addition, the Supply Department have given this State some contracts though not to as large a number or to as many deserving cases as might be expected. There are no doubt certain difficulties in connection with the procurement of contracts, with relation to the placing of contracts with particular persons and with reference to the laws and practices which govern such contracts. Sometimes it is found convenient not to deal with Government but with enterprising private persons. Such contracts may have advantages which are not easy to be realised by those of us who are prejudicially affected. But I do not propose to start a homily on the placing of supply contracts; I shall just content myself with saying that supply departments in the last war and in the present war could be and can be improved in the methods of co-ordination and co-operation. But when allowances are made, residually, it must be acknowledged with gratitude that the Government of India have treated Travancore, on the whole, well, let me say, have intended to treat Travancore, on the whole very well. And a certain amount of money has come through the Supply Department contracts and also through the war industries which are being stimulated everywhere.

This is the reason why we have been able to advance up to date Rs. 72 lakhs for the purchase of rice and paddy from outside the State. Rice and paddy have been purchased from Madras, from the Central Provinces, from Sind and they propose to purchase from Bengal. This has been possible on account of our satisfactory financial position to-day.

In this connection, I may divert for a moment and speak upon the tapioca position because it plays an important part in the whole financial aspect of the matter. Tapioca was a discredited crop. Speeches have been made from the presidential chair of the Assembly and from public platforms elsewhere about the necessity of discarding or eschewing tapioca as an article of nutritive value. I myself plead guilty and although my ultimate views remain the same, I may confess—and necessity knows no law—that we have been reduced to the extent of relying largely on tapioca because of the shortage of rice. Appeals were made by this Government for the increase in the cultivation of tapioca—appeals, which I am glad to say, were responded to with alacrity and enthusiasm. The result is, it would be correct to say, that one-third more is about the total increase in the acreage in tapioca. And it was thought that tapioca would be available for the people of

LIBRARY ARCHIVES Kerala Legislative Assembly

this State. But a new problem intervened. Maize flour produced in India and imported from outside, mainly from the Far Eastern countries, was utilised by the textile mills all over India for the purpose of sizing for their cloth. With the Japanese invasion of the Far Eastern countries, that source of supply was cut off, with the result that the whole of textile mill industry in India was looking to the supply of tapioca flour from Travancore to take the place of maize flour. Naturally, the instinct and the desire of men to make money being what it is, there arose a period of acute speculation and the price of tapioca flour and of tapioca shot up to such an extent that the whole or a great portion of it was sent outside. Let me quote certain figures.

The quantity of tapioca flour exported during the six months before the 25th October 1942 was about 2,56,738 cwts. That is not a small amount and it was found that practically no tapioca would be retained in the State if this speculation proceeded, and with what effect? Who were the speculators? Outsiders mainly, middlemen who entered into contracts for the purchase of tapioca, just as the cardamom plantations and the things intended for the benefit of the Travancoreans and Travancore subjects were immediately swooped upon by others, the enterprising Halai merchants, whose business acumen is beyond all praise, became the largest centres of tapioca trade. I have no quarrel with them but we very soon came upon a situation when tapioca became unavailable. And what happened? Everything that could be done to discredit Travancore tapioca was done by middlemen. They put sand into tapioca, they put various bits of mud, little twigs and all sorts of things that adulterated tapioca, and the Government of Travancore received complaints by the score from our customers to the effect that if Travancore could only supply this adulterated tapioca, Travancore tapioca could not be purchased. But in spite of all that, the need of the mill industry was so great that every ounce of tapioca that could go out, went out, fetching soaring prices. I made a calculation some time ago and I came to the conclusion that perhaps by a policy which Government have recently adopted of absolutely preventing the export of tapioca, we have lost about *30 lakhs of rupees per month* by way of profit—and that is an understatement. Naturally, the Government of India asked us what our policy was. As the mouth-piece of this honourable House, I told the Government of India that we are prepared to send out tapioca or a large proportion of it, provided our rice requirements are met. I am prepared to-day to take upon myself, as the exponent of the policy of the Government of Travancore to grade that tapioca, to see that no adulterated tapioca or tapioca flour crosses the customs border, to see that there will be grades of tapioca, as grade 1, grade 2 and so forth and that each packet of tapioca will get Government seal put on it in order to testify to the quality of the stuff. Government will be controlling the trade. They do not want any profit, either out of rice or out of tapioca. Government's policy has not been to make a single pie out of the business. I do not wish to sell tapioca or rice so as to get any profit at all. What we pay,

LIBRARY ARCHIVES Kerala Legislative Assembly

[President]

plus the cost of freight and transport, plus the overhead charges involved in the transaction are the only things that are necessary. Government do not want to make any profit, they are willing to allow that to go to the men who raise the crop. But in order to make that tapioca flour available for the textile mills, what is needed is co-ordinate effort in this State. By adulterating, a small profit may be made, but the State will lose. That poisonous idea should be got rid of. I am prepared to export tapioca provided our rice requirements are met. There are communities and groups of people to whom at the best of times, on account of the dispensation of Providence, tapioca alone may be available as an article of food, and therefore, I am not prepared to export the whole or even a considerable part of tapioca; but a very large amount of tapioca can and will alike go to the profit of the tapioca grower and to the advantage of the tapioca buyer, provided our general food situation is met with satisfactorily.

The tapioca now available is distributed, as honourable members have seen already, through the Anchal Offices. I did not wish to overburden the already heavily worked Revenue Department and it was thought that it was a good plan to allow the Anchal Offices to be kept as a kind of store house, where tapioca could be sold and I have also made an appeal for public co-operation in that respect. At this juncture, may I renew that appeal to the honourable members of this House?

One of the most painful features which have impressed themselves upon me during the tenure of my office is the feeling present in many officers of this State that a man who gets Rs. 200 a month belongs to a different order of beings from a man who gets Rs. 199, that the latter should stand before the former and not take a seat beside him, that politeness is not necessary from the Rs. 200–man towards the Rs. 199–man, that the same treatment as from a Rs. 200–man to a Rs. 199–man can be shown from a Rs. 199–man to a Rs. 195–man and so on in gradation. That accumulation of insult and impoliteness in declining to answer correspondence and even in declining to answer people who are not above themselves, should be eradicated and will be eradicated swiftly and without any mercy or any degree of discrimination as between man and man.

I am stating this because I have found in several instances official co-operation has been lacking because of the impoliteness of officials towards each other and towards non-officials. (*Cries of 'shame' and 'hear hear'.*)

I hear a voice crying 'shame'. The responsibilities of the non-officials are equally great, because, I find that on the slightest pretext non-officials are sending petitions to the Dewan and sometimes even to His Highness the Maharaja saying that a certain Proverthicar is not co-operating with a non-official or that this man or that man is taking bribe. Some quarrel, say between an honourable member of this

LIBRARY ARCHIVES Kerala Legislative Assembly

House and a Proverthicar or Tahsildar, sees light in a daily newspaper. How is that honourable member or that Tahsildar going to be bettered by that publication? That officer will get more irritated and directly and indirectly try to injure the non-official. That is why in regard to the purchase and storing of paddy, rice and tapioca and their distribution, I have invited non-official co-operation. I hope small non-official groups will be started in every place and that the advice of these non-officials will be regarded at least as important as that of officials, so that in cases where there is any difference of opinion I shall always accept non-official opinion in preference to official opinion because after all the toad knows where the harrow comes. It is the non-official public whose needs this Government is out to cater for. But there should be 'give and take' on every side. It is difficult to change the habit of a lifetime overnight. This is not the time for reproach. This is the time for common work. Therefore let my appeal not fall on deaf ears. Let the officials realise what I am saying. Every official from the top to the Proverthicar should realise that. My appeal to the non-officials is that they should forbear, they should not be reproachful and they should try to compromise as far as possible. Unless we do that, this food problem is not going to be solved.

As a part of the general financial situation, it will also be interesting for honourable members to realise that Travancore has become important next only to Ceylon in regard to the production of rubber. Last year the production was 12,333 tons and the area under cultivation was 1,33,639 acres. The idea underlying the recent announcement of the Government of India constituting the Dewan of Travancore as the Chairman of the Rubber Production Board is to stimulate the growth of rubber. I may add that the offer came to me as Sir C. P. Ramaswami Aiyar and I wrote to the Government of India that the offer should be made to the Dewan of Travancore and not to me personally. The Government of India gladly agreed. The Dewan of Cochin was nominated as the Vice-President, thus showing the importance of these two States in the rubber economy of the country.

Similarly our timber out-put has grown up steadily. In 1115 the price of timber exported was 16 lakhs of rupees; in 1116 it was 18 lakhs of rupees and now it is 24 lakhs. It is growing. I may say that it is growing because timber is required for a number of articles which were formerly made by other materials. The same thing can be said of ceramic articles. This is in regard to the credit side.

Now I come to the debit side of our account. First, I shall deal with our food situation. Let me, at the risk of tiring honourable members—because the honourable House is entitled to know about the stewardship of the country—analyse what has been done in regard to the food position. I think we can flatter ourselves that before any other Government in India did so, within the first week of the outbreak of war, the supply and control of food stuffs engaged the attention of this Government. I am not speaking today in the language of

LIBRARY ARCHIVES Kerala Legislative Assembly

[President]

censoriousness or of reproach, but I hope that it will be remembered that if food control, food purchase and food distribution had been embarked upon as a national policy three years ago by the Government of India and by the various Provincial Governments, the situation in this country would have been very, very, different from what it is today. After all what is it that is being done by the Government of India today? The Government of India is doing exactly what this Government started to do in 1939 and has been endeavouring to do until 1942. Just now the Government of India has made up its mind to conserve and purchase all the wheat in the country and declare invalid every transaction in wheat throughout the country. In the interval, a great deal of wheat has been exported, a great deal has gone underground or dissipated. The other day I read—and honourable members of this House must have read that—that while a wall was being dismantled—a wall was put up as an elaborate air-raid shelter—it was found that it was not only an air-raid shelter, but it contained 40,000 bags of wheat. Such practices were taking place and such practices are not entirely new even to this favoured land of Travancore. But the point I am at is that during the last three years, there has been no definite control by the Government of India. We have tried to keep up a certain amount of control. The first step taken was to control the inflation of the price of food stuffs that followed the declaration of War. The policy underlying control was that while certain intermediaries were selling at extortionate rates, if Government held stocks, the price would go down according to economic laws. The prices were kept at a certain point. Government bought certain rice from Burma and from other Provinces in order to keep the price at spear point. But transport has been difficult. I may pause for a moment and state here that we have been criminally negligent in our country in regard to our transport. Our railways are really no railways. To build railways in this country with its backwaters and its different levels, would be to mortgage the resources of this country for the next ten or twenty years. No one would advocate a railway journey between Shencottah and Trivandrum. Seven or eight hours' journey, leisurely, calm, unperturbed by any conditions, from Shencottah to Trivandrum at a pace that a good pedestrian walking by the side of the railway would be able to cover, such a journey will not conduce to commercial or other advantages.

Having said that, the next question is what has been done in regard to our transport, transport by road, transport by canal, by backwater and by coastal shipping. During the last 1000 or 1500 years Travancore has been a maritime country with a large export and import trade. But it has not developed its own shipping. In order to bring rice from Sind, where it is available in large quantities, we have to bring it from there to Lahore, Lahore to Bombay, Bombay to Madras and Madras to Trivandrum, whereas if coastal shipping is available it would come

LIBRARY ARCHIVES Kerala Legislative Assembly

straight to us. Bengal promised rice. My friend Mr. Fazlul Huq was quite willing to help us before the Midnapore disaster. But then transport difficulties stood in our way. The same thing from Cochin to this place. Therefore, this Government resolved that it was its duty to rectify the error of policy that has been committed in the past. I am glad to be able to announce to this honourable House that the Government of India have recently sanctioned under the Defence of India Rules the purchase of four sailing vessels of about 600 to 800 tons capacity. We are also building some vessels. All these vessels are just only coastal sailing vessels. It will be the policy of this Government to build more ships and sailing vessels. We cannot now get petrol or diesel oil, so that we will build only sailing vessels; but another day engines will be installed. In this manner we will build tugs and other vessels until we can say that we have got a shipping worthy of a maritime State. That is the policy that will be followed by Government.

But the point that I was at is that on account of transport difficulties we could not get rice from Burma. After the fall of Rangoon we could not get any rice from there.

And in this connection I shall have to explain and justify myself. We received reports of hoarding and profiteering. I came to the conclusion that this method could only be stopped if prominent men were proceeded against instead of insignificant men. I am making this statement for the first time. There was a time when Government was nervous, and justifiably nervous of food riots all over the State. They found that there was the ordinary multitude in need of food and they also found accumulated food grains in the possession of certain persons. Therefore, as starvation and hunger know no law—and there were instances of crowds surrounding carts taking tapioca or paddy from one place to another—these hoarded up food stocks would have led to riots and lootings. Instances have also come to the notice of the Government, of crowds way-laying carts laden with tapioca on the roads and the cart-men voluntarily surrendering the commodity for sale on the spot. And this Government is always afraid, and continuously afraid, of food riots and looting of shops, and the middlemen, the large landlords, are justifiably angry towards Government for what they call the arbitrary measures which they have adopted in this connection. But at the same time they do not realise the benefit that those measures have conferred on them in preventing their grain stores and shops from being looted by the hungry multitudes. Therefore, in order to protect their interest as well, Government had to take strong measures. Government had passed the Essential Commodities (Census) Order in order to obtain full details of the acquisition of rice and paddy and other essential commodities available within the State. This Census was a farce. It became a farce because the District authorities did not understand its meaning. It was a farce because nobody co-operated in complying with it. I confess to a feeling of grave anxiety that the meaning of the Essential

LIBRARY ARCHIVES Kerala Legislative Assembly

[President]

Commodities (Census) Order was not rightly understood and the intention of the Government in passing that order was also not understood in the proper spirit.

It was the intention of Government to utilise the normal trade channels to secure food grains from abroad and to make the stock available in the market at reasonable prices. Every encouragement was given by the State to enable wholesale importers of rice to get into contact with the rice-producing Provinces in British India; and the Railway Authorities were specially approached by the Government to provide ample transport facilities. Regulations were also passed controlling the price of such stock. A system of licences was introduced for the sale of food grains by wholesale dealers.

Meanwhile, the Government of India decided to establish Regional Price and Supply Boards to provide for the requirements of deficit units within the region from the surplus units. Travancore and Cochin had their representatives on the Regional Price and Supply Board, Madras, and both these States have been acting as one unit on this Board with the closest co-operation and mutual understanding. Here, I must pause to pay my tributes to Messrs. Parameswaran Pillai, Salter and Narayana Aiyar for the fine work they have done on these Committees and for the manner in which they utilised their energies in persuading the Government of India and the Government of Madras and those conferences in Madras and Delhi, to give us larger quantities of rice to meet our requirements.

With the fall of Burma, supplies from outside were confined to the Madras Province. The average annual production of the Travancore State, when compared to its total requirements amounts only to nearly 43 per cent. The estimated area of production is 6·04 lakhs of acres of which about 50,000 acres are left fallow every year. Our total requirements amount to 6·17 lakhs of tons of rice at the minimum rate of consumption of 275 lbs. of rice per adult and one-fourth of that quantity for every non-adult. Our total production is somewhere near 2½ lakhs of tons. Thus there is a deficit of nearly 30,000 tons a month. Honourable members may be aware how we have dealt with that problem. This Government have made an appeal to those owners of land who leave their paddy fields fallow, to cultivate. That appeal was at first very hesitatingly received. So, Government had to tell them that if they would not take up the cultivation, Government would do it. But I am glad to say that even before that matter was implemented, *viz.*, Government's taking over the lands in question, they have come round. But they had to suffer reverses. There were floods. The effect of the increased cultivation was made nugatory because of the ruining of bunds and the flooding in the rivers. Here also, I must congratulate the Chief Engineer on the way in which he and the local engineering

LIBRARY ARCHIVES Kerala Legislative Assembly

authorities tackled the situation as a result of which the evil has been remedied. We hope that we shall not lose very much by reason of that catastrophe.

The Madras Government came forward and assisted us by allotting a quota of 18,000 tons per mensem for Cochin and Travancore, for July, August and September. And in this connection I might say that the attitude of my friend Mr. Sarkar, who is now the Commerce Member of the Government of India, has been one of the most heartening features of the situation. He has fully understood the situation of Travancore and here I express the gratitude of this Government for his steady and continuous support. Mr. Sarkar is from Bengal. Northern India is nearer to Delhi than Travancore. Speaking in the presence of Sir Henry Craik, the Political Secretary to the Government of India on another occasion, I had quoted the saying "*Dilli Dur ast*". It is therefore of special congratulation and special gratitude that Mr. Sarkar has heard the voice of Travancore.

The Madras Province had, however, introduced no system of price control as in Travancore and Cochin. Large scale purchases were being made from the Madras Province by the Ceylon Government also. Certain amount of smuggling went on. Carefully managed and influentially patronised groups of syndicates smuggled rice into Ceylon. The prices in the rice producing areas, particularly in Tanjore, rose very high. I am also a landowner in the Tanjore District and three generations of my forbears belong to Tanjore. I was myself returned from the constituency of Tanjore to the Madras Legislative Council. The speculations were such and smuggling was such that the Madras Government then decided upon making all purchases through their own purchase officers and the State's quota also had to be purchased through the officers of the Madras Government. The price was nevertheless kept very high and the purchase officers of the Madras Government declined to purchase from Tanjore until prices went down. Purchase from Tanjore was thus rendered difficult; and finally the bulk of the September quota due to the States was transferred to Bezwada.

Meanwhile, in September the Madras Government appear to have discovered that their former calculations regarding production of rice and millets were wrong and it was decided that except to Ceylon, Mysore and Bombay, no quota whatsoever could be allotted to Travancore and Cochin for October.

In this connection I may say that Ceylon, in spite of her well-known anti-Indian attitude, enjoys the special patronage of the Government of India and supplies to her have never been cut down and she is being regularly supplied. And with a full sense of my responsibility and standing at this place, I say that the amount of smuggling into Ceylon is terrific and it has to be stopped at once if the Madras Government is to fulfil its duty to itself and to us. It was decided by the Madras Government in September that not a single

LIBRARY ARCHIVES Kerala Legislative Assembly

[President]

grain should come to us in October. Then a deputation went to Delhi. Mr. Parameswaran Pillai, Mr. Narayana Aiyar and Mr. Salter played their part worthy of their positions. They placed the full facts before the Government of India and I am glad to say that the Madras Government have soon after realised the immensity of our problem and the critical state of our requirements. And they had the greatest possible assistance from the Madras Government in this respect. In spite of all these efforts, our December and January quotas are still behind, because of the demand from Ceylon.

These circumstances had their repercussions on Travancore not only in regard to the price of imported rice but also in regard to the price of the local paddy and the availability of it in the open market. It was realised by the merchants and the stock holders of paddy and rice within the State that the quota available for import from outside was very much limited and was uncertain with the result that there was an artificial increase in the price of foodstuffs all over the country and an almost universal withholding of stock.

It has been the policy of the Government not to introduce any restrictive measure in relation to paddy locally produced until it became inevitable on account of the acute shortage of supplies. Government were in the circumstances obliged to control the price of local paddy as well and to take steps enabling Government to acquire stocks held in excess of normal requirements for bonafide consumption and for purposes of seed and labour for cultivation. I may pause here. We published a notification saying that the stock of paddy or rice at a certain minimum should be held over and left at the disposal of Government. What happened? A certain institution in South Travancore getting a return of about 2000 paras promptly distributed the stock to its sub-institutions and got themselves beyond the purview of the rule. Here is seen that the ingenuity of mankind grows only with the opportunities afforded for its manifestations!

Travancore and Cochin made their representations before the Government of India on the curtailment of supplies from Madras. The Madras Government was also approached on the matter. As a result of the negotiations, the Madras Government have allotted 15,000 tons jointly for Cochin and Travancore for November, although the quota was reduced to 6,000 tons for December and out of such quota 2,245 tons have been allotted separately for the use of the rubber and tea estates in Travancore and Cochin.

I pause here again. Nothing has been so encouraging, so heartening as a complete co-operation between Travancore and Cochin during the past many months in relation not only to the question of food supplies but in every matter, political, social and educational. No one could work with us so fraternally as Mr. Dixon, Head of the Administration of Cochin and the great urbanity and wonderful sympathy for human suffering which was manifested by His Highness

LIBRARY ARCHIVES Kerala Legislative Assembly

the Maharaja of Cochin is a matter which struck me during the occasions when I met him. I feel legitimately grateful and worthily proud. All these negotiations we have proceeded on this definite basis. On one occasion I told Mr. Dixon that he could go and fight the battle on behalf of Travancore as well. He has done so more than once. Cochin has represented Travancore and Travancore has represented more than once Cochin in All-India Conferences. The co-operation of the two States has become a *fait accompli* and Travancore and Cochin are working together hand in hand in complete co-operation and comradeship. Now we have also made an arrangement by which all rice that is purchased by Travancore and Cochin should be shared in proportion to their population. In other words, we get four-fifths and they one-fifth. I have received letters and complaints that, while in Cochin wherever you go, there is rice, that is not the condition in Travancore. I wish to disabuse that impression. There has not been the slightest profiteering or unfair dealing on the part of Cochin. The fact is that their centres of population are very few in number and if grain comes to one part of the country it is distributed there immediately. But that is not so in a large tract of territory like Travancore. As a result of the negotiations, the Madras Government have allowed 15,000 tons for Travancore and Cochin for November, and for December 6,000 tons including 2,245 tons for the use of estates. There again, I took the line that since these rubber and tea estates were doing war work all the time, it was the duty of the Government of India and the Government of Great Britain to supply them rice independently of the requirements of Travancore. But I must say that on the whole I was not successful. What I now find is that notwithstanding that 2,245 tons are allotted for these estates, the agents from these rubber and tea estates are said to be enabling a great deal of smuggling for the use of these estates. It has been stated that their agents in Shencottah and Aramboly—where we have made arrangements with the Madras Government to permit head loads being taken into the State—are arranging for these head loads brought into Travancore being removed. Such practices, if established to be true, I must say, will mean a complete drying up of the supplies from the Madras Government. Honesty, no doubt, is the best policy not only theoretically but practically. Because, unless we are honest, we shall not get any rice. The estates are getting a quota apart from the Government. The Government of India have been very sympathetic towards the States in this respect. They have rendered facilities for purchases being made even from other Provinces in order to make up the deficit from Madras for October. The allotment given from Bengal could not further be implemented in time and the Madras Government have generously offered to give Travancore and Cochin a supply of 5,000 tons of rice on this account, in addition to the January quota and the Travancore Government desire to record their appreciation and thankfulness for the steps so far taken by the Madras Government.

LIBRARY ARCHIVES Kerala Legislative Assembly

[President.]

Arrangements are in progress to effect purchases both from Sind and the Central Provinces; but it is needless to state that such purchases from outside the Madras Province would necessarily involve considerable delays, especially in relation to transport. The bulk of our supplies is from Bezwada, where the purchase is made on this account by the Madras Grains Purchase Officer, assisted by the State Officers from Travancore and Cochin. The Travancore Government have already advanced nearly 50 lakhs of rupees for purchase of rice from Bezwada and have also remitted nearly Rs 22 lakhs for purchase from other areas and Rs. 9 lakhs for purchase of local paddy. Fortunately, purchases from the Madras Province are making good progress and there is now regular movement of stock from that area into Travancore.

It is hoped that the advent of the entire quota allotted by the Madras Government would ease the situation to a considerable extent, provided such imports are supplemented by paddy locally produced and by imports from other areas. Let me announce the policy of this State in regard to this matter. This State has found that it is impossible to fix the ceiling limit with regard to the stocks that may be allowed to be held by a person. In other words the moment we say that Government will purchase all stocks above one hundred paras or two hundred paras, anything in excess of that one hundred paras or two hundred paras will have a way of mysteriously disappearing. Two legged rats and four legged rats will overcome all these rules and the result is that it is impossible to fix a ceiling limit by statute. In order to dispel the alarm of the people, I may say that—I am answering a question which has been put in the House—it is not the intention of the Government to deprive the landowner of all the paddy and the rice that he has. Their intention can be carried out only with the utmost freedom and collaboration between the buyers and sellers. These are exacting times. The idea of Government is that nobody will be compelled to discard or hand over any paddy or rice which he would require for the legitimate consumption for himself or the members of his family. I go further. No landowner will be asked to set apart or discard paddy or rice which is required either for seed or payment in kind to labourers who labour on the field. That is the intention of Government. That intention cannot be carried out by mere statutory requirements or any uniform provision to the effect that anything in excess of one hundred paras will be taken over by Government, because in such a case nothing will appear in excess of one hundred paras. The notification therefore is general in terms. It gives an authority—a dangerous authority, I grant—an arbitrary exercise of power, but inevitable necessity demands inevitable authority. Authority has been given to the Grain Purchase Officer and the District Magistrates and their subordinates to collect and purchase paddy Their statutory powers are that they can take

LIBRARY ARCHIVES Kerala Legislative Assembly

away paddy from a person. Therefore in order to avoid all arbitrary dealings, I am asking the local people to see these officers so that they can learn from neighbouring landowners the real position of their stock. Unless there is combination between these landowners—let God forbid it—the local officers will be able to get hold and advise, so that enough may be left to each man for the food of himself, his family, his dependants and his labourers. I dare say that in the working of these rules, there may be abuses. But what is the alternative? I ask the honourable members of this House to remember that this is not a problem of this year or next year. I want the honourable members to realise that after the war—this I am glad to say is likely to be happily over soon—that for the next five years, the conclusion of the peace will be the starting point of an economic struggle and conflict throughout the world to which the problems of the war afford no parallel.

The inflation in currency, rise in prices of commodities, the disinclination on the part of hoarders to disgorge—all these problems have to be faced. But this is not the time to speak on the wider problems on inflation. But the inflation comes in times of war. Inflation which is an abnormal increase in the sum total or quantity of purchasing power is accompanied by a fall in the value of money.

Usually, heavy taxation in war time and in other critical junctures is not feasible and therefore inflation takes place resulting in an increase in the volume of money. Thereby currency is released from dependence on metallic reserves or metallic standards. It follows that currency is at those junctures made inconvertible into gold or *a fortiori* foreign currency. Thus arises the phenomenon of unbalanced budgets.

Government's policy of inflation is effected by their own note issues or through a Bank or Banks which are persuaded to grant loans only to people who borrow for re-lending to government. Such inflation swells commercial loans and the liabilities of Banks to their customers, but there is a limit—natural limit—which arises from an inevitable fall in the value of the money issued by Government, a sign of unwillingness to accept such money, which makes it unprofitable to make further issues.

The main sufferers from inflation are recipients of fixed incomes who are prejudiced by the rise in the price level. The position of skilled workers is worse than that of the unskilled workers. Ultimately inflation may lead to a reduction of productivity of society as there is a tendency to hoard not only gold and silver but also goods. There will also be a progressive reluctance to sell. Inflation means, as it was demonstrated in Germany, a great increase in paper currency, a great increase in the price of commodities, black markets economic competition of a very severe character.

But it is better for a small and feeble Government like the Travancore Government not to think of what Stalin or Churchill is going to do the day after tomorrow. We have to consider what we should do tomorrow and find out a remedy for the evil that is facing us. From that point of view and in view to the inevitable inflation of currency which

LIBRARY ARCHIVES Kerala Legislative Assembly

[Dewan-President.]

is taking place before our very eyes to-day—for, look at the way how our small copper coins have disappeared partly for war and partly by hoarding—we have to find a remedy. Look at the legislation embarked by the Government of India with regard to the silver coins and the way in which they have called back the rupee coins by October next. From all this it could be seen that this kind of great economic process of inflation is taking place before our very eyes, and what will its effect be on Travancore politics and economics? The prices of commodities will rise and continue to be high. You cannot reckon in terms of political economy. You cannot have one law for Travancore and another law for another country. Otherwise there will be competition between one place and another, one country and another. In view of the complications arising in the matter, we are taking all that is possible to set matters right. Though those steps may not be absolutely necessary for the next month or two, we shall have betimes to arrange for what is to happen by next year or the year after that and so on. Therefore, our agricultural economy has to be re-ordered, and we have to start factories for the manufacture of artificial fertilisers. The moment I can get the machinery, I shall have no hesitation to advise the earmarking of the whole resources for such ventures as the manufacture of sulphuric acid and artificial fertilisers and make this land self-supporting from the agricultural point of view. That is the policy of this State. At this moment we have to live and let live. You have to plan for the future. You cannot start factories ten years later unless you live during that period. The real problem is not only during the war but immediately after the war. The people of Travancore cannot live unless all the grain that is produced here is regarded as a sacred trust and as needed for the people of Travancore. You may call it socialism; you may call it communism; you may call it the Soviet method—whatever you may call it, the time is come for Travancore with its meagre food resources to treat the whole available food products such as pulses, ragi, soyabean, rice and tapioca as the property of every man in the State; and the State should serve as the agent of every man in the State and they must be able to deal as the owner of the property. It is fairly known to all that all owners of property are not dealing wisely in that regard. Many of us have appointed managers for our property and things are managed like that. Now the circumstances are different. Who else can look after the property? It cannot be left to private initiative. No legislation can be embarked upon. In order that people could live in Travancore the Government have to see that every grain of rice and every tuber of tapioca is treated as the property of the people of Travancore. Nobody will stand in the way of achieving that end. For that reason this Government have laid down that no land can ever be registered hereafter to any individual, high or low. The same policy will be followed in regard to the cardamom registry. People who bought ten acres and encroached upon hundred acres and who have then come out with a claim for two hundred acres with the aid of the local officials further claim five hundred acres. These cannot be and will not be

LIBRARY ARCHIVES Kerala Legislative Assembly

tolerated. There will be no registry of any bit of forest lands or hilly slopes or arable lands for anybody in this State. People will be given leases for a period of five or seven or twelve years under certain conditions. That is the definite policy which will exist in this State hereafter. On account of that, there is very little arable area available in this country. There is the question of population which is growing apace and threatening to stifle the country itself. That is one of the other matters which I wish to place before this honourable House.

Now in addition to the prohibition of hoarding and profiteering certain prosecutions were started. The idea of this Government is to withdraw to-day all prosecutions started in relation to the food grains and food profiteering and things of that kind. An appeal has been made to that effect. But if again from tomorrow people resort to the old ways of food profiteering, there will be no further withdrawal of prosecution. An opportunity is now being given for people not to commit any illegal acts. No single case will be proceeded against in relation to the food profiteering or food hoarding or the non-submission of returns or the late submission of returns and things of such nature. All these prosecutions will be withdrawn immediately. Some have been already withdrawn and I am sure other cases which have not yet been withdrawn, will also be withdrawn immediately. At the moment the idea is that all people should work together to produce results which are essential for the good of the country.

As is well known, swampy and grassy areas have been thrown open for purposes of cultivation. They are not going to be registered but will be given on lease. Government have sanctioned a scheme for Kuthagapattom lease of about 34,000 acres of dry and wet lands for production of food crops from the Reserve Forests of the State. To implement the above order a survey of all available swampy area was begun. As I said, the whole problem can be solved only by the utmost co-ordination and co-operation of local committees. In this connection the honourable members of this House may be interested to hear the following extracts from a newspaper. It reads thus:—

> "Had the Government authorities acted with sufficient far sightedness, the people would not have been put to so much suffering. It is stated that soon after Burma fell into the clutches of Japan, Government ought to have bestowed their attention for increasing the productive capacity of India so as to meet the local demands here to minimise consumption; to effect an efficient system of distribution and to make profiteering by merchants impossible."

The paper admits that some endeavours were made to increase the production of paddy here. But it is remarked that the Government which issued stringent orders not to remove brans from rice ought to have ordered the people to reduce the number of rice meals from three to two and ought to have commenced rationing early enough.

LIBRARY ARCHIVES Kerala Legislative Assembly

[Dewan-President.]

This extract is from a newspaper called *the Arunodayam*. It was clearly stated immediately on the outbreak of war that people should not use high polished rice. The removal of bran from rice was prohibited. Again the paper goes on :—

> "Had these steps been adopted, it is stated, the people would not have become panicky as at present. It will be better if Government do the needful in these matters at least now."

The paper refers to the rumour that Government propose to purchase the excess paddy in the possession of rich men at Government rates for use in temples and observes that this can be justified only in case there is difficulty in obtaining paddy or rice for the use of temples alone.

These are most mischievous statements made deliberately to inflame communal prejudice. This Government has made a definite rule that no paddy should be supplied to Devaswoms and that they do not stand on any different footing from the rest of the Government departments But this paper has contributed certain statements without verifying the facts and it had the hardihood to say that rice was taken from rich men for the use of temples alone. The paper expresses surprise at the special treatment in respect of temples when people of all religions suffer difficulties equally, due to the non-availability of paddy and rice.

In the beginning, in this case as in certain other cases, no control measures came into force. Various departments tried in their own way to get paddy. My friend Mr. Salter tried to secure enough paddy for the people in his department. Mr. Chacko also tried to do the same. Naturally certain other departmental officers, for instance, the Ceramic Expert too did the same in his own way.

Naturally the Devaswom Department may also have asked for necessary supply. Nobody suggested that the policy of Government is to get rice from the rich people only to benefit the temples. To make statements of this kind at this juncture is poisonous and vitriolic and certainly objectionable to the Nth degree and the paper, I must say solemnly, should be ashamed of that conduct. However, I am not taking any action against that paper. I hope they will have the wisdom to ascertain the correct policy of Government in the matter of food problem and then publish news.

Another kind of agitation was this. Well-meaning men, politicians, who are out of work, have carefully instigated the labourers to strike work. They have asked the labourers to insist on the granting of minimum wage. Such decisions were arrived at at small meetings. If such steps had been taken at normal times, I could understand the matter. That may be considered as quite appropriate for the elevation and rehabilitation of agricultural labour. But it is only the factory labour that has been regarded as susceptible of legislation. But what about the poor labourers who aid in producing the wealth of the country? It is true that articles such as rice, tapioca, etc., contribute to the wealth of the people of this country. But this occasion should

LIBRARY ARCHIVES Kerala Legislative Assembly

not be chosen for agitation. This is not the time to ask for maternity benefits, for compensation and so forth. It is really distressing to note that the labour has not yet realised that no sort of agitation should be brought about at this stage. Unless they look betimes for the improvement of agriculture, no useful result could ensue. The agitators should treat agricultural labour sympathetically. I am in entire sympathy with an agitation on the part of agricultural labour and their prayer for increased wages. Government will do such things that lie in their power towards that end, consistent with the present times. Their demands will always be favoured. But I would emphasise that to use this occasion, this juncture in the history of agricultural operation in Travancore, to start strikes in respect of harvesting operations and of the enhancement of price of foodstuffs will be considered as traitorous. Government will show no mercy in respect of this agitation. A few arrests have been made though reluctantly and many more arrests will be made if the occasion demands, in order to see that agricultural labour is co-ordinated and made available for the people. I may give this warning and feel sure that this will be heeded.

I also find that there is some considerable agitation especially in North Travancore with regard to cardamom encroachments. I am not aware of the History of the Travancore judiciary and the Travancore case made law and the statute law. My knowledge is only recently gained. The question is whether men could be rewarded for stealing lands. This is the only country where men successful in stealing lands expect a sort of premium consideration. Whatever be the consequences, such things will not take place hereafter and it may be made perfectly clear that misplaced sympathy will never happen. The man who owns one thousand acres wants two thousand more. That is a matter on which I will not show any equivocation.

Finally, in sympathy and with the general feeling of the House this Government have resolved that in regard to the P. W. D. budget they will pursue a policy of three year programme so that no money is left to lapse at the end of the year. The P. W. D. and the Engineers will together project a programme for three years and will see that all the money is spent within those three years.

I have already spoken on the hoarding of small coins and there is nothing to add to that. I have practically done. I was referring to the postwar reconstruction and of inflation. When our men, who are fighting in the battle front, return to India from all over the country, they will naturally demand a return for the sacrifices rendered by them. There is a rich contribution of men from Travancore in this line. They will ask an adequate return for the risks undertaken by them. There is the problem of unemployment to be solved and that will be a grave problem. Unless this country awakes to the seriousness of that problem, unless the problem of unemployment is met at the same time as the problem of the food situation, to-morrow will be a very bad day compared with to-day. I feel sure that the members of this House with their knowledge of the country and of the background and atmosphere of the country will work as we do under the common banner, inspiration and stimulus of His Highness the Maharaja. God grant that it may be so.

LIBRARY ARCHIVES Kerala Legislative Assembly